

# Value-based Contracting

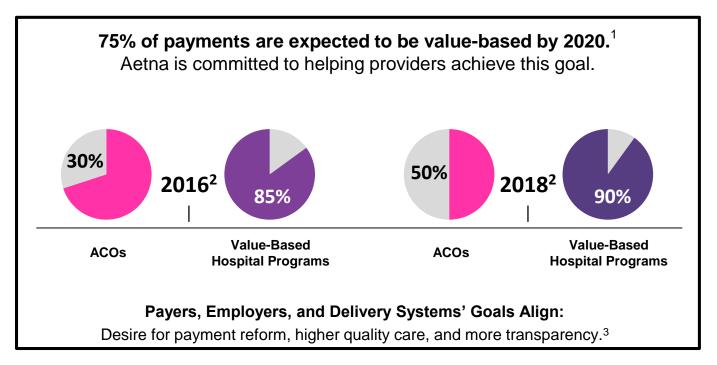
Delaware

# A move to value-based models

Payers, employers and providers will continue to move toward value-based models.

**VBC** % of Aetna reimbursements

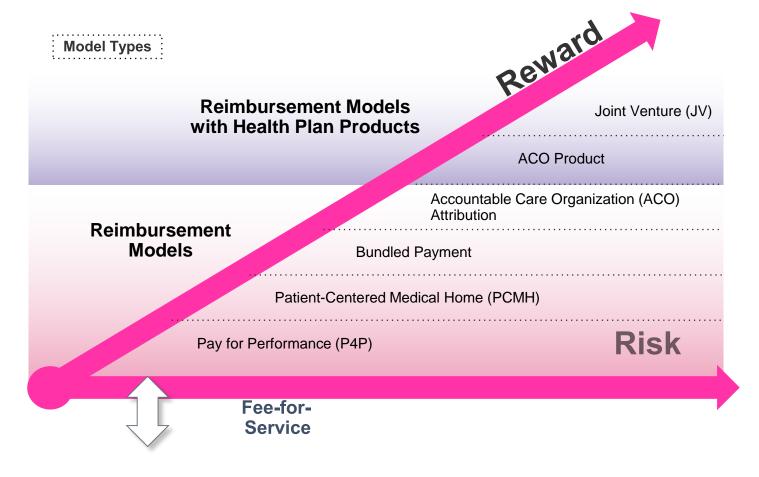
Delaware - 53.7% through May 2017



<sup>1</sup> Modern Health care 2 https://www.advisory.com/daily-briefing/2015/01/29/20-health-systems-insurers-agree 3 FierceHealth Payer

# A multi-year plan

A multi-year plan to convert our entire network to value-based payment with a glide path to ensure no providers are left out.



# Comparison of value-based care models

	Reimbursement Models			Health Plan Products		
	Pay-for- Performance (P4P)	Patient Centered Medical Home (PCMH)	Bundled Payment	Accountable Care Organization (ACO) Attribution	ACO Product	Joint Venture
	A first step into value-based contracting: Payment shifted from Fee-for-Service (FFS) to incentives for meeting quality goals	Primary care model:  1. Coordinate care for patients, using team-based care and the EHR  2. Enhance care with Aetna care management programs	Specialty care model: 1. Coordinate care 2. Eliminate waste 3. Align to evidence-based best practices across practitioners and sites, and over a period of time	Population health model manages all care for attributed members:  1. Team-based care  2. The EHR  3. Enhanced collaboration with Aetna care management programs	Population health model with participation in a health plan:  1. Shared savings and risk for managing medical costs, quality  2. Opportunity to attract new patients	Payer-provider partnership to launch a health insurance company:  1. Share in earnings and risk  2. Employ increased capabilities and expertise
Financial Opportunity	Shift portion of payment from FFS to incentives for improvement <b>quality</b> measures	ACP payments and incentives for quality and efficiency improvements	Reduce episode costs, share savings and risk for reducing complications and waste, and improve quality	Shift portion of reimbursement from FFS to ACP payments and incentives for quality and total cost of care improvements, with risk for poor performance	Share in health plan savings and risk, with best-in-market PMPM medical costs and quality measure improvements	Share of health plan earnings and risk
Applicability	Primary Care, Cardiology, Orthopedics, OB- Gyn, multispecialty practices and hospitals	Primary care medical home practices	Orthopedics, Cardiology, Maternity, Multispecialty practices, Post-Acute providers, and Hospital systems	Health systems/ integrated delivery systems (IDS), clinically integrated networks (CINs) and large primary care	Health systems/IDS, CINs	Health systems/IDS, CINs

Reimbursement with

# Aetna Provider & Member Value-based Penetration in Delaware

#### **PCMH Recognition**

Members – 18,183

Providers – 342

PCP model

## Hospital (P4P)

Members – 19,048

Providers – 1003

#### **Membership**

<u>45,451</u> Aetna Members Included in VBC arrangements representing <u>46%</u> of total Delaware membership

#### **Providers**

<u>2,222</u> Providers participating in Aetna VBC arrangements representing <u>44%</u> of the total Aetna Network of Providers in Delaware

#### **AIM HMO**

- Custom HMO model designed exclusively for State of Delaware GHIP Aetna HMO members.
- ✓ This innovative HMO model will increase member engagement and improve population health.
- ✓ Aetna's AIM HMO includes provider based financial risk directly associated with reducing costs, while improving quality and overall member health.

## **Physician (P4P)**

Members – 7,901

Providers – 431

PCP Model

## **Specialist (P4P)**

Members - 319

Providers – 476

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# **Centers of Excellence**

Delaware

# Aetna Institutes Program™

	Institutes of Excellence™	Institutes of Quality®		
Covered conditions	<ul> <li>Transplants</li> </ul>	<ul> <li>Orthopedic: spine, total joint replacement</li> <li>Cardiac: cardiac medical intervention, cardiac rhythm disorders, cardiac surgery</li> <li>Bariatric surgery</li> </ul>		
Network size	Large, national	Large, regional		
Designation process	<ul> <li>Extensive quality and cost- effectiveness criteria</li> </ul>	Measures of volume, clinical performance, access and efficiency		
Other support	<ul> <li>Dedicated contracting, medical management and claims/member service teams</li> <li>National coordination of care</li> </ul>	<ul> <li>National Medical Excellence Program® for travel and lodging approval</li> <li>Regional coordination of care</li> <li>Dedicated, national Institutes of Quality team</li> </ul>		

Benefit differential applies to Institutes of Excellence and Institutes of Quality to encourage members to access care through these providers.

# Institutes of Quality – Orthopedic Facilities (Closest proximity for your members)

# **Institutes of Quality – Orthopedic**

- Christiana Care Health Services Delaware
- Franklin Square Hospital Center, Inc Maryland
- Frederick Memorial Hospital Maryland
- Greater Baltimore Medical Center Maryland
- John Hopkins Bayview Medical Center Maryland
- Mercy Medical Center Maryland
- Montgomery General Hospital, Inc Maryland
- Peninsula Regional Medical Center Maryland
- Saint Agnes Hospital Maryland
- Suburban Hospital Maryland
- The Union Memorial Hospital Maryland
- University of Maryland Upper Chesapeake Medical Center - Maryland

- Advanced Surgical Hospital Pennsylvania
- Allegheny General Hospital Pennsylvania
- Brandywine Hospital Pennsylvania
- Chester County Hospital Pennsylvania
- Heritage Valley Beaver Pennsylvania
- Heritage Valley Sewickley Pennsylvania
- Holy Redeemer Hospital Pennsylvania
- Lancaster Regional Medical Center Pennsylvania
- Lankenau Medical Center Pennsylvania
- Lehigh Valley Hospital Pennsylvania
- Riddle Hospital Pennsylvania
- Thomas Jefferson University Pennsylvania

# Institutes of Quality – Cardiac Facilities (Closest proximity for your members)

# **Institutes of Quality – Cardiac**

- Franklin Square Hospital Center, Inc Maryland
- John Hopkins Bayview Medical Center Maryland
- John Hopkins Hospital Maryland
- Peninsula Regional Medical Center Maryland
- Saint Agnes Hospital Maryland
- University of Maryland Medical Center Maryland
- Holy Spirit Pennsylvania
- Pinnacle Health at Harrisburg Hospital Pennsylvania
- St. Joseph Medical Center Pennsylvania
- St. Luke's University Hospital Pennsylvania
- The Milton S. Hershey Medical Center Pennsylvania

# Institutes of Quality –Bariatric Facilities (Closest proximity for your members)

## **Institutes of Quality – Bariatric**

- Christiana Care Health Services Delaware
- St. Francis Hospital Delaware
- Anne Arundel Medical Center Maryland
- Greater Baltimore Medical Center Maryland
- Meritus Medical Center Maryland
- Peninsula Regional Medical Center Maryland
- Saint Agnes Hospital Maryland
- Sinai Hospital of Baltimore, Inc
- University of Maryland Medical Center Maryland
- Abington Hospital Pennsylvania
- Albert Einstein Medical Center Pennsylvania
- Bryn Mawr Hospital (Elkins Park) -Pennsylvania
- Crozer Chester Medical Hospital Pennsylvania
- Einstein Medical Center Pennsylvania
- Mercy Fitzgerald Pennsylvania

## Institutes of Quality – Bariatric

- Pennsylvania Hospital Pennsylvania
- Sacred Heart Hospital Pennsylvania
- Saint Luke Allentown Campus Pennsylvania
- Temple University Hospital Pennsylvania
- The Hospital of the University of Pennsylvania Pennsylvania
- Thomas Jefferson University Hospital Pennsylvania

# Institutes of Excellence – Transplant Facilities (Closest proximity for your members)

## **Institutes of Excellence – Transplant**

- DuPont Hospital for Children Delaware
- John Hopkins Hospital Maryland
- University of Maryland Medical System Maryland
- Albert Einstein Medical Center Pennsylvania
- Allegheny General Hospital Pennsylvania
- Children's Hospital of Philadelphia (CHOP) Pennsylvania
- Children's Hospital of Pittsburgh Pennsylvania
- Hahnemann University Pennsylvania
- Hospital of University of Pennsylvania (HUP)
- Lankenau Medical Center Pennsylvania
- Lehigh Valley Hospital Pennsylvania
- Milton Hershey Medical Center Pennsylvania
- Pinnacle Health System at Harrisburg Hospital Pennsylvania
- Temple University Hospital Pennsylvania
- Thomas Jefferson University Hospital Pennsylvania

# Thank you